## TENNESSEE REGULATORY AUTHORITY



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\*\*CONSUMER ALERT\*\*

## FCC OK'S PLAN ALLOWING PHONE NUMBER PORTABILITY

**NASHVILLE** -- Providing consumers the convenience of keeping their telephone numbers when changing telephone companies will not be free, says the Federal Communication Commission.

Beginning in February 1999, telecommunications companies will be allowed by the FCC to pass on the costs of allowing consumers to keep their telephone numbers when they change carriers. The charge to telephone users is expected to be between 50 cents to \$1 per telephone line. The charge will be in effect for period of 5 years and will affect all telephone consumers.

"Number Portability" or the technology that will allow consumers to keep their assigned telephone number(s), will cost telecommunications companies an estimated \$2 billion to \$4 billion to develop. The costs generated for the service is being used to update computer systems, software and switching equipment.

Number portability is critical for local competition. However, the Tennessee Regulatory Authority (TRA) is considering asking the FCC to allow the state to decide how these costs should be recovered.

The Telecommunications Act of 1996, which was designed to foster competition between phone companies, requires companies to provide "number portability" services to its customers.

State utility regulators from around the country, such as the New York Public Utilities Commission, are opposed to the fee and are petitioning the Federal Communications Commission to reconsider the charge.